

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION

In re:

SHAMUS HOLDINGS, LLC,
Debtor.

Chapter 11
Case No. 07-14572 (JNF)

**STIPULATION BY AND BETWEEN THE DEBTOR AND LBM FINANCIAL, LLC
EXTENDING USE OF CASH COLLATERAL AND REQUEST FOR ORDER**

This Stipulation is entered into by and between Shamus Holdings, LLC (the “Debtor”) and LBM Financial, LLC (“LBM”):

WHEREAS, the Debtor filed its voluntary petition initiating this bankruptcy proceeding on July 25, 2007;

WHEREAS, the Debtor continues to operate as a debtor in possession and no committee of creditors has been appointed;

WHEREAS, the Debtor’s primary asset is the real property located at Unit C-1, Foundry Condominium, 314 West Second Street, South Boston, Massachusetts (the “Foundry Property”) and the income generated by the Foundry Property;

WHEREAS, LBM asserts that it holds a valid claim secured by a mortgage recorded against the Foundry Property;

WHEREAS, the Debtor denies that LBM holds a valid claim against the Foundry Property and has commenced an adversary proceeding challenging the validity of LBM’s mortgage against the Foundry Property;

WHEREAS, on September 18, 2007, the Debtor filed a Motion for Use of Cash Collateral (“Cash Collateral Motion”) [Docket #54];

WHEREAS, on December 14, 2007, the Court entered an Interim Order [Docket #122] authorizing the Debtor to use cash collateral through February 16, 2008;

WHEREAS, the Court scheduled a continued hearing [Docket #124] on the Cash Collateral Motion for February 13, 2008, at which the Court entered an Order [Docket #165] further authorizing the Debtor's continued use of cash collateral until August 8, 2008;

WHEREAS, the Debtor and LBM reached agreements to further extend use of cash collateral until November 8, 2008, February 8, 2009, and then again to June 30, 2009, and filed stipulations to that effect, which were allowed by the Court on July 24, 2008 [Docket #228]; November 25, 2008 [Docket #266]; and February 6, 2009 [Docket #283], respectively;

WHEREAS, the Debtor and LBM previously reached an agreement to further extend use of cash collateral until 60 days after a decision was rendered by the Court on the Debtor's Motion for Summary Judgment (the "Summary Judgment Motion"), which was pending in adversary proceeding No. 08-01030 [Docket #74] and filed a stipulation to that effect, which was allowed by the Court on June 24, 2009 [Docket #294];

WHEREAS, the Court issued a Memorandum of Decision on the Summary Judgment Motion on August 5, 2009, making the expiration date for the Debtor's use of cash collateral 60 days later, October 5, 2009;

WHEREAS, LBM has appealed this Court's decision on the Summary Judgment Motion to the United States District Court for the District of Massachusetts (the "District Court"); and

WHEREAS, the Debtor and LBM have now reached an agreement to further extend use of cash collateral until 60 days after a decision is rendered by the District Court on LBM's appeal (the "Expiration Date")

NOW THEREFORE, the Debtor and LBM stipulate and agree to the following terms:

1. Upon approval of this Stipulation, the Debtor is hereby authorized to continue to use cash collateral, subject to the terms and conditions herein and in the budget attached hereto as Exhibit A, up through and including the Expiration Date, with the exception that if the Debtor

fails to obtain either the prior (i) consent of LBM or (ii) approval of the Court upon notice to LBM for any expenditure resulting in a 10% variance from the budget in any one calendar month, the Debtor's authorization to use cash collateral shall terminate; and

2. Except as expressly set forth therein, nothing contained in this Stipulation is intended to be, nor shall be construed as, a waiver, amendment, or modification of the rights and remedies of the Debtor and/or LBM, respectively, under the Bankruptcy Code, other applicable law, or otherwise, and the Debtor and LBM each hereby specifically reserve all of their respective rights and remedies in this matter; and

3. The Debtor and LBM request the Court enter this Stipulation as an Order, schedule a hearing as necessary before October 5, 2009, and grant any other relief as may be just and proper.

Respectfully submitted,

SHAMUS HOLDINGS, LLC

LBM FINANCIAL, LLC

By its attorneys,

By its attorneys,

/s/ Charles A. Dale III
Charles A. Dale III, BBO No. 558839
Mackenzie L. Shea, BBO No. 666241
K&L Gates LLP
State Street Financial Center
One Lincoln Street
Boston, MA 02111-2950

/s/ Philip F. Coppinger
Philip F. Coppinger, BBO No. 641664
LBM Financial, LLC
171 Locke Drive, Suite 114
Marlborough, MA 01752

Dated: October 2, 2009

Dated: October 2, 2009

SO ORDERED

Joan N. Feeney
United States Bankruptcy Judge

Dated: _____

EXHIBIT A

BUDGET